GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

STARRED QUESTION NO:257
ANSWERED ON:17.03.2008
HIRING OF GODOWNS BY FCI
Agarwal Shri Dhirendra

Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the number and storage capacity of private godowns hired by the Food Corporation of India (FCI) during each of the last three years and in the current year alongwith the rent paid therefor;

(b) whether the Government had taken required action for ensuring reduction in rent at the time of hiring these godowns;

(c) if so, the details thereof;

(d) if not, the reasons therefor; and

(e) the storage capacity likely to be hired during 2008-09 alongwith the rent to be paid therefor?

Answer

MINISTER OF AGRICULTURE AND MINISTER OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (SHRI SHARAD PAWAR)

(a), (b), (c), (d) & (e): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF THE STARRED QUESTION NO. 257 DUE FOR ANSWER ON 17.03.2008 IN THE LOK SABHA.

(a): The number and storage capacity hired by FCI directly from private parties during the last three years and current year along with rent paid is as under:-

Year	Number of Godowns	Capacity (In Lakh MT)	Rent paid (Rs. In Cr.)
2004-05	124	14.13	12.05
2005-06	91	8.83	9.54
2006-07	88	6.77	7.02 (Provisional)
2007-08 (As on 31.1.2008)	76	6.58	7.25 (Revised Estimate)

(b) & (c): Yes, Sir. The following steps have been taken for reduction in rent of private godowns:

(i) Powers for hiring of private godowns have been withdrawn from EDs(Zone)/GMs(Region) and for hiring of these godowns, approval of CMD, FCI is now necessary.

(ii) Periodical review is made to examine the need for hiring private godowns. The godowns are taken only in such areas where no CWC/SWC godowns are available.

(iii) The godowns are taken for minimum required period.

(iv) Before taking over the godowns, the cost effectiveness is examined in detail.

(v) Efforts are made to hire godown nearest to the railhead or national/state highway so as to minimize the cost of transportation.

(d): Does not arise.

(e): Present storage capacity utilization as on 31.1.2008 is 69% and further hiring of the godowns will depend upon the trend of procurement and off-take. Private godowns can be hired only when absolutely necessary with the approval of CMD, FCI.